workers' tth

Toward the International Party of Revolutionary Workers

Vol.2, No. 4

May,1974

10 cents

Portugal After the Coup

Wage-Slavery With A Democratic Face

On April 25, a peaceful coup was staged in Lisbon, Portugal by the military under the leadership of General Antonia de Spinola. The new ruling junta, although it has tried to dress itself up as a "democratic revolution" has been placed in power by the Portuguese bourgeoisie for several reasons.

Portugal has been plagued with a three front war in Africa which has been draining more and more money out of the state treasury. By this year the war was already accounting for 8% of the national production. Coupled with the fact of the international capitalist crisis, Portugal was being forced to liberalize its war policies. Although the overthrown regime of Caetano and Tomay was attempting this, they were not moving fast enough for the bourgeoisie.

Besides the war, there was developing a rising militancy within the Portuguese working class. Inflation has run up to 25% to 30% per year. In recent weeks thousands of workers have gone on strike. The coup has been aimed at giving the workers a dose of reformism to "ease" their pain and hopefully (from the capitalist point of view) get them out of the streets and back in line raising their productivity for the "new democratic Portugal".

Meanwhile the new regime has initiated cease-fire negotiations on all three fronts in Africa. A plan has been offered to the national bourgeoisies in which a federation would be set up between Portugal and the African countries. Under such a plan the African countries would have to leave control of their financial policy, foreign policy and national defense to Portugal. Aside from these points the African countries would have equal (1) status with Portugal (sounds sort of like the Union of Soviet Socialist Republics). So far the bourgeois "national liberation fronts" have all rejected

Questions have been raised as to how democratic the new regime will really be. Will elections be held soon, in a year or ever? The answers to these and similar questions are irrelevant. No matter how "democratic" the new regime turns out to be, even if it is as democratic as the "great United States of America", the regime will still be ruling un-

this offer.



der the dictatorship of the bourgeoisie.

Elections, if held, will be meaningless for the workers, for they will still remain wage slaves. And this is the essence of bourgeois dictatorship. Democracy or fascism, one man rule or free elections. censorship or freedom of the press. "free enterprise" and competition or nationalization and statification, so long as the wage labor system exists the working class will remain the slaves of capital, their lives subordinated to the demands of an economy based on profit through the production of market exchange values. No matter who wins an election, whether the government is run by fascists or trade union bureaucrats, the problems of capitalism will not be eliminated.

Only a workers' revolution overthrowing capitalism in its entirety, abolishing wage labor and the market and dismantling the capitalist state and creating socialism will solve anything. The time for reforms is long gone. In Portugal as elsewhere

the working class must reach the understanding expounded by Karl Marx in 1865. Although over a cen-

tury old, his words have particular significance for the world working class today:

At the same time, and quite apart from the general servitude involved in the wages system, the working class ought not to exaggerate to themselves the ultimate working of these everyday struggles. They ought not to forget that they are fighting with effects, but not with the causes of those effects; that they are retarding the downward movement, but not changing its direction; that they are applying palliatives, not curing the malady. They ought, therefore, not to be exclusively absorbed in these unavoidable guerilla fights incessantly springing up from the neverceasing encroachments of capital or changes of the market. They ought to understand that, with all the miseries it imposes upon them, the present system simultaneously engenders the MATERIAL CONDITIONS and the SOCIAL FORMS necessary for an economic reconstruction of society. Instead of the CONSERVATIVE motto: "A FAIR DAY'S WAGES FOR A FAIR DAY'S WORKI" they ought to inscribe on their banner the REVOLU-TIONARY watchword: "ABOLITION OF THE WAGES SYSTEM!"

What is needed right now in Portugal is the development of a working class communist vanguard capable of providing theoretical and programmatic clarity and leading the working class in the struggle for the abolition of the wages system and the construction of socialism.

It should be clear by now that nothing of REAL benefit to the working class has happened in Portugal. They are not fundamentally better off than they were under Caetano. Wage-slavery is wage-slavery. And so long as the bourgeoisie retain their supremacy, nothing of real benefit can come about for the workers. They must take things into their own hands. The workers in Portugal must unite with workers throughout the world to take it upon themselves to sweep away the present society of war and economic crisis and create a new society out of their own energies, a society based on the co-operative development of humanity. DOWN WITH DEMOCRATIC WAGE-SLAVERY! FOR A WORKERS' REVOLUTION AND SOCIALISM!

Fight Capitalist Repression In the Soviet Union

When Russian writer Alexander Solzhenitsyn was exiled from the Soviet Union recently, a hue and cry went up among liberal and "democratic"-minded intellectuals and politicians. While we oppose the stifling of intellectual discussion in the USSR, and view Solzhenitsyn's exile and the for ced hospitalization and imprisonment of other dissident writers as an example of the Russian capitalists' attempts to maintain their ideological hold over the people of the Soviet Union, we feel that rather than trumpeting the trials and tribulations of the anti-communist, anti-working class intelligentsia, it is imperative for revolutionists to publicize and condemn the plight of the millions of nameless masses who suffer from exploitation, national operpression and political repression.

Much is made in the capitalist press about the abhorrent conditions of the Siberian slave labor camps, and that such are the fruits of communism and Marxism (this is also Solzhenitsyn's thesis). However, nothing could be further from the truth. Slave labor camps are the fruit of state capitalism, the historical tendency of capitalism sc long as its decay is prolonged by the lack of a class conscious revolutionary working class prepared to seize power from the capitalists, be they Russian, American or whatever. Not only are the camps used to silence dissident intellectuals, but they are also used to silence workers who attempt to carry out militant industrial organization, or who are nothing more than "chronic gripers", that is, who react even on an individual Tevel to the stultifying, alienating and dehumanizing conditions of capitalist production. "Blue collar blues", which is nothing more than the alienation caused by the separation of the working class from ownership and control of both the means of production and what they produce, exists in the Soviet Union no less so than in the United States. Another "benefit" (for the rulers) of the labor camps is the fact that production can go on without paying the workers there, simply providing them with somewhat less than the bare necessities of life (like prison labor in the U.S.). In this way, along with the Russian version of "workfare" (paying welfare-level"wages" for either socially useless 1abor or for doing a regular job), the Russian rulers are able to boast of a low rate of unemployment. Can't find a job? Go to Siberia. There's plenty of work there!

The solution to the problem of the existence of the labor camps is not, however, the simple democratization of Russian state capitalism. Certainly bread lines, unemployment lines and welfare lines can not be viewed by rightminded workers as an alternative to be taken seriously. One might as well say: Don't blind my left eye. Blind my right. Nor are "full employment" schemes any alternative. In fact, the Russian rulers have shown our middle-class babblers of reform what "full employment" is like under capitalism. To expect anything else of a system that is so rotten and putrefying that it makes Lake Erie look like "the land of sky blue waters" is: 1) utopian; 2) misleading to the millions of workers whose only desire is to find a way out of the rapid downward spiral in which the system is taking them; and consequently is a reactionary mystification and veiling of the true nature of capitalist

The solution to the existence of the labor camps and the broader problem of which they are a result, the need for a surplus labor force, is the destruction of the system that breeds such inhuman institutions, the destruction of capitalism, which means the abolition of wage-labor and the creation of a free co-operative society.

The labor camps are not the only means of economic oppression of the working class in the Soviet Union--only the grossest. The wage-labor system there is set up essentially the same as it is here in the U.S. and elsewhere in the world. The difference lies in the fact that Russian capital and its institutions are more concentrated, more centralized, and hence more refined as an exploitative apparatus. Workers in Russia, as in the United States (but to a greater degree), are forced to join capitalist trade unions. Any industrial or political organizations which the workers develop themselves are ruthlessly hunted down and suppressed. The major difference between the Russian unions and the American unions is that the Russian unions play a more direct role in the exploitation of the workers and the management of industry. This is a gap, however, which is rapidly being bridged as U.S. capital succumbs to the tendency of centralization and concentration, that is, statification (what the William F. Buckley's call "creeping socialism"!). This can easily be seen by taking a good look at the United Steel Workers' Experimental Negotiating Agreement and the United Auto Workers' "Harmony Clause".

It is absolutely imperative for workers in the Soviet Union, as elsewhere, to organize themselves independently of the parties and unions of capital. This means not only the organization of autonomous factory committees to struggle against the crushing exploitation of capital in the day-to-day existence of the workers, committees that will represent the embryo of a future national organization of workers! councils, but the organization of the most politically advanced, class conscious, communist (in the real sense) workers into a revolutionary party capable.

of providing the theoretical and programmatic leadership necessary for the development of a REVOLUTIONARY WORKING CLASS, conscious of its class interests and capable of waging the ultimate struggle for power against the agents of Prince Capital

"Pure" economic explaitation is not the only form of oppression in the Soviet Union. One of the most talked about and LEAST UNDERSTOOD is national oppression. Under capitalism, national oppression first comes into real existence, and it comes about as an extension of capitalism and the rise of the CAPITALIST nation-state. The Soviet Union today is almost the ultimate in blasphemy. It' is by no means Soviet (i.e. run by workers' councils), and certainly is by no means a voluntary "union". On the contrary, it is nothing more than the resurrection and extension, under a different name, of the old Russian Empire. Empires of "out of vogue" today. This is the "epoch of democracy and socialism', or so the Russian rulers would have us believe. But today, under the aegis of state capitalism, national oppression of Jews, Ukrainians, Latvians and others is no less than it was under the

While pogroms have ended, Jews in the USSR are denied the right of emigration. They are forced to pay exhorbitant "education" taxes in order to get passports. Also the desire to emigrate is linked to Zionism and a certain confusion of Zionism with Jews is made by the Russian rulers to keep the fires of anti-Semitism stoked. The Ukrainian, Latvian and other "republics" have seen their national cultures suppressed and virtually destroyed in the name of "creation of a Soviet culture". In reality this "soviet culture" is nothing more than Russian culture. Far from creating a new socialist culture out of the united development of the proletarians of all countries, the Russian rulers are imposing their culture on their "fellow repub-

continued on page 7

ANSWERS TO LAST MONTH'S "QUIZ" ON PAGE 5:
For those of you who answered the question "Which of these men is the head of Britain's Labour Party, 'representative' of the British workingman?": Both of the above--you are right.

For those of you who answered the question "Which one is the reactionary proponent of 'anti-working class Tory policies'?": Both of the above--you are right. Both pictures are, of course, British Prime Minister and Labour Party leader Harold Wilson.

WORKERS' TRUTH PAMPHLETS

Revolution and Counter-Revolution in Russia...by David Ross

The Economy of State Capitalism by David Ross

Pamphlets 25c each

Workers' Truth

A Revolutionary Marxist Monthly
Published by the
Revolutionary Workers Group
Editor:
David Ross
Subscriptions: \$1.00 for 1 year

(12 issues)

Revolutionary Workers Group P.O. Box 60161 1723 W. Devon Chicago, 111. 60660

France- Mitterand, Giscard In Runoff

Not Capitalist Elections, WORKERS' REVOLUTION!

May 12--In the first round of the French presidential elections, Francois Mitterand of the Socialist Party received 43.2% of the vote putting him in first place. The Independent Republican candidate Valery Giscard D'Estaing, a Gaullist, received 32.6% of the vote, while while Jacques Chaban-Delmas who had the support of the major Gaullist party polled 15.1%.

A runoff election is scheduled for May 19 between the two leading candidates. Mitterand and Giscard. Second round voting between Mitterand and Giscard promises to be very close. Both candidates' campaign managers are expecting to win a fraction over 50%, predicting a very close race. Mitterand is counting on antagonism toward Giscard who has been Finance Minister during a period of rising inflation, while Giscard hopes that fears of "Communist" in positions of power will drive the voters to his camp. A recent poll gave Mitterand a 51% to 49% edge. (In case of the highly improbable tie, the oldest candidate, Mitterand in this case.

wins the election:) Mitterand is running on the platform of the Union de la Gauche (Union of the Left), a popular front coalition of the Communist Party, Socialist Party and Left Radicals. Traditionally (but incorrectly) the popular front has been defined as a coalition of working class and bourgeois parties. The objective of the popular front is to put a brake on any rising militancy of the working class by spreading confusion in its ranks with hopes of reforming capitalist society. This objective holds true for all popular fronts. The point which most groups falter on is the composition of the popular front. There has never been a bloc between bourgeois and working class parties in a popular front. On the contrary, popular fronts have been rothing more than coalitions of "left" capitalist parties, some or all (depending on the individual front) using "socialist" rhetoric in order to better suck the working class into support for the bourgeois

electoral "road to socialism". In our last issue we pointed out that the Socialist Party and the Left Radicals were both bourgeois formations, while the Communist Party was a reformist working class party. (see "Mitterand, Gaullists Engage in Electoral War of the French Succession", WORKERS TRUTH, April 1974) This was in fact wrong. The CP no less than the SP and the Left Radicals is a capitalist party. One may ask: how can this be so? The CP has a large dues-paying membership base in the working class. Would it not be more correct to characterize it as a reformist workers'

While it is true that the CP is supported by a large section of France's working class, this is not the crucial factor in determining the class nature of an organization. The Democratic Party in the U.S. has much working class support, but it, too, is capitalist. The Peronist organizations in Argentina have even more working class support, but it does not alter the fact that they are capitalist. What is it then that makes the Democratic Party, the Peronists, the Communist Parties and the Socialist and Labor Parties around the world capitalist formations?

All political organizations are in existence to function around a certain



Top, Francois Mitterand
Bottom, Valery Giscard D'Estaing

program. In fact the program is what differentiates one organization from another. It follows fom this that the organization itself can be defined by its program and its actions in carrying out that program, that is, its social role.

Neither the SP nor the CP (or the British Labour Party) have a proletarian program. Each party only presents a list of demands which add up to nothing more than reform of capitalism. Their programs are bourgeois because they can be carried out under capitalism. The working class does not have to gain political and social power to carry out these programs. They are completely compatible with the system of wage-labor and the mar-

When capitalism was still progressive it was possible for reformism to play a useful role in the working class struggle (so long as it was carried out in the context of a revolutionary preparation and maturation of the working class). That is, parliamentarism, limited economic struggle, social reform agitation could bring about real gains for the working

But we now live in the epoch of imperialism, of capitalism in decay, for 60 years capitalism has been reactionary and outmoded. Its existence has been one of a continuous cycle of crisis-war-reconstruction-crisis. Today reformist activity is no longer a viable means of struggle for the working class. Rather than ameliorating workers' conditions it serves only to pro-

long the existence of capitalist decay by diverting the working class from the struggle for socialist revolution. Through their reformist activity and constant warning against "ultra-leftism" (read independent working class struggle), the CP and SP play a counter-revolutionary role, a capitalist role in defense of the present system against the working class.

Other formations which participated

in the first round of elections have also been falsely labelled as working class organizations. The Front Communiste Revolutionaire (FCR--Revolutionary Communist Front, supporters of the paper ROUGE) ran Alain Krivine and LUTTE OUVRIER (WORKERS' STRUGGLE) ran Arlette Laguiller. Laguiller polled 600,00 votes or 2.4% of the total vote. Although the FCR and LO are both somewhat to the left of the Union of the Left. neither goes beyond capitalist social reform and vulgar economism. Both list a series of demands which although more radical than those of the CP and SF, are still realizable without destroying capitalist production relationships. While both sometimes speak of "revolution", this is only a carryover from their petty bourgeois radical days of the 1930's and '40's. And their "road to revolution" lies in "structural reform' of capitalism through nationalization and "workers' control" of state capitalist production.

Both LUTTE OUVRIER and the FCR/ROUGE have given "critical" support to Mitterand in the runoff. Although Mitterand has already proven whose interests he defends in a previous stint as a government minister (such as asserting that Algeria rightfully belongs to France), LO and the FCR wish to demonstrate which side of the class line they stand on by urging workers to give him the chance to put in another

Sporadic strike movements have occurred in France recently showing the growing anger of workers against inflation and unemployment which has been caused by the international capitalist crisis. The bourgeoisie will use every method imaginable to contain the struggles of workers within the framework of reforming capitalism. The unions have been dispatched to take cor trol and squelch industrial economic battles, while the left wing political agents of capital such as the Union of the Left, the Revolutionary Communist Front and LUTTE OUVRIER bring confusion into the workers' ranks on the political plane.

What is needed in France is the development of a theoretically and prcgrammatically coherent organization of the working class communist vanguard. Such an organization would be able to provide the clarity of thought and action necessary for the development of a revolutionary class consciousness in the working class. It would represent the nucleus of a revolutionary party in France which would be able to lead the French workers to victory in the inevitable confrontation for power between French capital and the French working class. DOWN WITH THE PARTIES OF CAPITAL:

DOWN WITH THE PARTIES OF CAPITAL:
FOR THE INTERNATIONAL PARTY OF REVOLUTIONARY WORKERS:
DOWN WITH THE CAPITALIST ELECTIONS:
FOR WORKERS' REVOLUTION:

Unions, Capitalism and the Working Class

INTRODUCTION

Revolutionary parties are not fountains of wisdom, Nor are they divine messengers who are ever and always right on each and every question. These parties do make mistakes. They are revolutionary because they are able to lead the working class forward in spite of these mistakes and in so doing to correct these mistakes along the wav.

-- REVOLUTION AND COUNTER-REVOLU-TION IN RUSSIA

Unlike many petty-bourgeois and bourgeois socialist groups, the Revolutionary Workers Group feels that its errors must be corrected and analyzed openly before the entire working class. We do not feel it necessary to sneak in changes in program or analysis so that no one will know that we made a mistake in the first place. This type of "purity", "continuity" and "orthodoxy" is good only for opportunists and charlatens, but not for class-conscious revolutionaries.

The Revolutionary Workers Group has consistently put forward the position of building fractions of the revolutionary party inside the trade unions. These fractions would fight inside the unions to win the unions to the revolutionary program and to adherence to the

revolutionary party.

This analysis was based on a number of factors: 1) the false conception of the unions as working class institutions simply because they enrolled workers in their ranks, even though they were not controlled in any real way by the workers who "belonged" to them and in fact functioned directly counter to the interests of the working class; 2) a somewhat mechanical understanding of the development of the Communist (Third) International, failing to realize that the Communist International could reflect no more than the degree of maturity of the working class communist vanguard and that while many of the Theses adopted at the Communist International's second congress in 1920 were put forward from a revolutionary perspective, they nevertheless failed to reflect a full understanding of the ramifications of capitalism's development into an imperialist world system (an understanding which was achieved to a higher degree by the International Left), thus they committed serious errors on the national, agrarian, trade union and parliamentary questions, errors which could have been corrected, but which instead led to the opportunist degeneration of the International with the ebb of the European revolution in 1921; 3) a misconception of the course of the Russian Revolution of 1917-1921 as being directly applicable in all countries (a misconception which, as Herman Gorter pointed out, was at the base of Lenin's errors at the second Communist International congress), thus, we felt that since the Russian unions which were in the main Bolshevik-dominated, could be won to the revolution and transformed into organs of proletarian economic administration, all existing unions could theoretically be won to the cause of working class revolution and socialism; 4) an adaptation to the trade union fetishism which predominates the American "left", seeing workers' struggles almost solely in terms of union elections, pressuring the trade union bureaucracy and "fighting harder" for

simple "bread and butter" economic demands or bourgeois-democratic social reforms or the construction of a "labor" party in the hopes of gaining a "broad" agitational base quickly, at the expense of developing the consciousness of the working class to the level sufficient for the seizure and maintenance of state power (not to mention the construction of socialism).

After serious discussion, brought on essentially by our dialogue with revolutionary tendencies in Europe (see the "International Exchange" between Grandizo Munis of Fomento Obrero Revolucionario and David Ross of the Revolutionary Workers Group in FORWARD, Vol. 1, No. 1, Winter 1974), we have come to the conclusion that our previous analysis was incorrect from the standpoint of revolutionary Marxism. We have instead reached the understanding and analysis which has been defended by many European revolutionary tendencies over the last few decades: the objectively reformist role of the unions becomes objectively counter-revolutionary with the transition of capitalism from its progressive phase to its decadent phase, imperialism. This is true because once capitalism has exhausted itself of all progressive capabilities on a world scale, the attempt to reform it, instead of destroying it and replacing it with socialism, becomes an obstacle to the development of the revolutionary working class movement, and hence becomes a counter-revolutionary prop for capital and the continued subordination and exploitation of the working class.

In this pamphlet we will outline the development of the unions in the context of the development of capitalism. We will attempt to explain their social role, both before and after the advent of imperialism. We will also take up some of the arguments both in defense of the unions as "working class organizations" and in defense of the perspective of winning the unions to the banner of workers' revolution. And, finally, we will discuss the role of revolutionaries in the day-to-day struggles of the working class.

It is our intention, through this pamphlet, to take a further step in the development of the revolutionary programmatic clarity necessary for the construction of a revolutionary party of the working class communist yanguard and the development of a class conscious revolutionary working class movement, capable of taking power away from the capitalists and wielding it in its own interests in the struggle to construct a socialist society.



INITIAL ATTEMPTS AT WORKING CLASS ORGANIZATION

From the earliest times in which wage earners have existed as a class, they have formed associations to defend their interests and rights against their employers. Such associations, whatever they were called, or whether local or national, were in essence trade unions. So as the English industrial proletariat became conscious of its existence as a class, it was the trade union which "it adopted as its organ of defense against the onslaughts of British capital.

The first real trade union, the National Association for the Protection Labour, appeared in Britain in 1830. It aimed at uniting the whole working lass, and eventually reached a membership of 100,000.

The National Association soon perished, and the next important development was the Operative Builders! Union which was formed in 1833 out of a num-

ber of craft unions and soon reached a membership of about 40,000, mainly around Manchester and Birmingham. Early in 1834 this union was merged into a new organization, the Grand National Consolidated Trades Union.

It was in this formation that the idea of one big union reached its fullest embodiment. Its objects are stated in one of its rules:

That although the design of the Union is, in the first instance, to raise the wages of the workmen, or prevent any further reduction therein, and to diminish the hours of labour, the great and ultimate objective of it must be to establish the paramount rights of Industry and Humanity, by instituting such measures as will effectually prevent the ignorant, idle and useless parts of Society from having that undue control over the fruit of our toil, which, through the agency of a vic-

ious money system, they at present possess; and that, consequently, the Unionists should lose no opportunity of mutually encouraging and assisting each other in bringing about A DIFFERENT ORDER OF THINGS, in which the really useful and intelligent part of society only shall have the direction of its affairs, and in which a well-directed industry and virtue shall meet their just distinction and reward and vicious idieness its well-merited contempt and destitution. (1)

In this declaration two things become apparent: 1) an instinctive and revolutionary class consciousness, and 2) the confused and moralizing opinions of Robert Owen (the most prominent repPart One by Aaron Asher & David Ross

resentative of English utopian socialism). The two trends would prove to be incompatible, and it was because of this that the Grand National failed.

The collapse of the Grand National was not the end of trade unionism, Local unions continued to exist, and several attempts at organizing on a national scale were made.

But the stage had already been set for the next step--political agitation with its roots in the mass of the working class -- and within two years of the defeat of the Grand National the first signs of the Chartist movement began to THE CHARTISTS

The origin of the Chartist movement was among the thoughtful, radical artisans of London. But once transplanted to the North, "it grew strangely into something quite unpromised."

The London Working-Men's Association was formed in June 1836 as a political and educational body intended to attract the 'intelligent and influential portion of the working classes!. It was Radical and Owenite in outlook and might have proceeded quietly in a course of modest useful-

ness if the crisis which broke early in 1837 had not received the demand for Parliamentary Reform. In February the Association drew up a petition to Parliament in which were embodied the six demands that afterwards became known as the People's Charter. (2)

The demands were:

1) Equal electoral districts 2) Abolition of the property qualification for Members of Parliament

3) Universal manhood suffrage 4) Annual Parliaments

5) Vote by ballct

6) The payment of Members of Parlia-

These demands were hailed by hundreds of thousands of industrial workers who viewed them as a way of abrogating their economic troubles. Engels declared that the Six Points were:

... sufficient to overthrow the whole English Constitution, Queen, and Lords included.... Chartism is of an essentially social nature, a class

The 'Six Points' which for the Radical bourgeoisie are the end of the matter...are for the proletariat a mere means to further ends. Politi-

cal power our means, social happiness our end, is now the clearly formulated war-cry of the Chartists. (3) The key to the strength of the Chartist movement was that while in Europe the working class was still tail-ending the industrial bourgeoisie, in England the workers were able by 1838 to appear as an independent force and were already realizing that the industrial bourgeoisie were their real

The failure of Chartism was partly a result of the weakness of its leadership and tactics. But the key factor is that ULTIMATELY THESE WEAKNES-SES REFLECTED THE IMMATURITY OF THE BRITISH WORKING CLASS. It must be understood that at that time the bourgeoisie was still a rising class, had still a positive contribution to make to social progress and could still afford to make sutstantial concessions to stave off revolt. The social distress and crises of that time were more in the nature of "growing pairs" than the signs of irresistible decay.

But even before the Grand National had gone to its fate, the signs of a new type of workers' organization ap-

This "New Model" was not a trades union but a trade union. It was a national organization of workers who belonged to a single craft -- mainly always co posed of skilled workers.

These skilled trade unions, rather than relying on the traditional forms of workers' defense to safeguard their standard of living, relied instead upon keeping down the supply of labor by restricting the number of apprentices, discouraging overtime, and in extreme cases, subsidizing emigration. Rigidly exclusive and often hereditary, they formed a labor aristocracy which had little concern for the masses outside their ranks. However, within certain limits they developed a solidarity which enabled the unions to survive the heaviest defeats with an almost unimpaired membership. They made trade unionism for the first time a normal and regular part of the daily lives of thousands of workingmen.

To be continued

(3) IBID., p. 431

(1) A.L. Morton, A PEOPLE'S HISTORY OF ENGLAND, p. 427 (2) IBID., p. 431

			17	2.	100
3		A 1	1	1	
	100		1	10	
			7	2.2.5	
	M				
4	14 _				
	MA				
			O. Marco		
			7.46		

The unio's are no longer workers! organizations, but the most trustworthy defenders of the State and of bourgeois soci ty. Consequently it is apparent that the struggle for socialization can not be carried on without involving the struggle for the liquidation of the unions.

> -- Rosa Tuxe burg Speech at the founding conference of the Kommunistische Partei Deutschlands (K.P.D. -- German Communist Party Dec. 30, 1918 - Jan. i,1919

SUBSCRIBE!

· 图1 基础设计 经资本证据 1 多生产的 2 数据 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Enclosed is \$1.00 for 12 issues (one year) of WORKERS' TRUTH.
Enclosed is \$1.00 for 4 issues (one year) of FORWARD.
Enclosed is for the following pamphlets (25 cents per copy
copies of REVOLUTION AND COUNTER-REVOLUTION IN RUSSIA
copies of THE ECONOMY OF STATE CAPITALISM
copies of ORIGINS OF THE REVOLUTIONARY WORKERS GROUP
Enclosed is a donation of \$
I would like to sell a monthly bundle of WORKERS' TRUTH.
I would like to meet with a representative of the Revolutionar
Workers Group
Name
Address
City State Zip
Make all checks payable to Revolutionary Workers Group or WORKERS'
TRUTH and mail to: Revolutionary Workers Group, P.O. Box 60161,
1723 W. Devon, Chicago, IL, 60660.



Archives of the Revolution



Students and the Class Struggle

ARCHIVES OF THE REVOLUTION is a regular of questions, we feel that this leaffeature of WORKERS' TRUTH. Each month we reprint for the benefit of our readers part or all of a particular speech, and student struggles to the revoluarticle or document from the vast and rich heritage of the revolutionary Marxist movement. In this issue we reprint a leaflet distributed by the Parti Communiste Internationale (PRO-GRAMME COMMUNISTE) (PCI -- International Communist Party (COMMUNIST PROGRAM)) during the May-June uprising in France in 1968. This leaflet was distributed before the French working class began to move into action, when the rising was primarily a student-oriented demonstration. Although we have serious disagreements with the PCI on a number

let is an essentially correct statement on the relationship of students leaflet does have one shortcoming worth mentioning here. The Comrades of the PCI refer to "pacifism, parliamentarism, patriotism, reformism, fragmen- party in France in 1968, that the ted strikes limited in tine" as "petty bourgeois demands". In reality, the these are BOURGEOIS demands and hence COUNTER-REVOLUTIONARY in nature, not simply "petty bourgeois". The reason that the PCF (Parti Communiste Francais--French Communist Party), the Stalinist party in France, and the

. CGT (Confederation Generale de Travail--General Confederation of Labor), the Stalinist-dominated trade union federation in France, press these demands tionary workers' movement and the class is because they are both BOURGEOIS in struggle. We do, however, feel that the nature. Their role is to derail workers' strugg'es and prop up the capitalist order. It was because there existed no significant revolutionary working class failed to develop the class consciousness necessary to realize its potential and take power for itself, an event which would doubtless have altered the face of Europe and the course of history.

STUDENTS!

A simple comparison of the number of injured on the side of the student demonstrators with those on the side of the police offers eloquent proof that it is not a matter of the usual peaceful marches organized by a democratic opposition. The demonstrators are not bleating sheep, they are returning blow for blow and are showing energetic solidarity with their imprisoned commades: revolutionaries worthy of the name can only salute these facts with joy and hope; but they see in it THE CNLY CLEARLY POS-ITIVE ASPECT OF THIS STUDENT TUR-

The government and its parliamentary opposition certainly react entirely differently. The government is having them blackjacked: it is there for that. The opposition (the PCF at the head) regrets that the government is blackjacking, but explains complacently that it is also the fault of "eftist provocateurs'. The PCF and the CGT stigmatize these "PETTY BOURGEOIS LEFT-ISTS" who disturb democratic order, and they cite the "worker movement" as an example. Many students are potentially petty bourgeois, it is true: it is also true that those among them who want to serve the proletarian revolution should study the more-than-acentury-old history of the worker movement. But WHICH worker movement? Marx said: The worker movement is revolutionary or it is nothing. The "worker movement" today is therefore nothing; the PCF and the CGT are taking pains to direct any inclination towards revolt on the part of the workers to petty bourgeois demands: to be precise--pacifism, parliamentarianism, patriotism, reformism, fragmented strikes limited in time--after having banished forever the prospect of class revolution.

The government is also saying that the crisis must be solved and that its solution is the Fouchet Plan. The opposition is protesting: it needs a DEMOCRATIC reform. For the PCF, therefore, the solution

exists (If only the united Left triumphs in the next elections!), but violence is to be condemned. The PCF is still more demagogic than the government, although quite as attached to law and order.

The "University crisis" that has

been evidenced in the big industrialized countries is a dual one. It is commonly said that the type of education given is unadapted to the demands of modern life; that is to say, to the necessities of modern capitalism, to put it bluntly. This is true, and government and opposition are on this point roughly in agreement. But that is not all! Technological development has brought with it prolongation of schooling; the fear of increased unemployment and the demacogery of the democratization of education did the rest. University enrollment is overcrowded, particularly in certain disciplines, given the needs of capitalist society. The real goad of student disturbances, therefore, is the spectre of unemployment, the perpetuation of anguishing uncertainty about the future. Behind this goad certain students perceived in a still unclear and often entirely distorted way, but perceived nevertheless, the symptoms. These are the symptoms of world imperialism which kills, pillages, crushes, and stultifies humanity, and whose capitals are Washington as well as Moscow, Bonn as well as Paris. Certain students, then, even began to understand that a student is the future "cadre" of this putrefying society and that the sacred culture that they were made to gulp down is the ideology of a decadent ruling class; since putrescence smells bad, they showed their disgust.

This awareness remains nevertheless confused, and only touches a minority while the student mass remains attached to its cultivated petty bourgeois privileges. It therefore offers a favorable terrain for the maneuvering of democratic opposition which has scented a possible electoral boon. The PCF and the CGT, both recently hostile, are now taking the students'

defense. The meaning of the Fouchet Reform is clear: we must manufacture at the lowest possible cost only the necessary number of "cultivated" servants of Capital. The leftist parties and University organizations are protesting in the name of "eternal values", or of the needs of an idealized society; they forget that the mass is made up of exploited wage earners. that if there are unskilled laborers

it is because capitalist society must have unskilled laborers, and not because these laborers have not had sufficient education. This is so true that all their beautiful talk boils down to the old recipe for "social advancement": "that nobody should be prevented by his social origin from becoming a bourgeois." This is their slogan.

The only real social problem is that of the abolition of the wage earner: the only means of emancipation, the Communist revolution, and not this demagogic, democratic University which would allow the sons of workers to become bourgeois (admitting for a moment that this would be seriously possible!) with no change in the existence of exploited workers and of bourgeois exploiters in the rest of society. Quite evidently the means for emancipation no longer reside in this hazy notion of "self-government" of the University we want to reform.

Alienation of the wage earning clases is not due to their lack of culture but to the demands of production for profit and the social division of work this imposes. We do not demand their access to bourgeois culture but we do demand abolition of capitalist production relationships. We do not ask that the exploitation of which these classes are the victims should be perfected--which is the only goal of the "educational reform" generally mentioned. On the contrary, we are making a radical criticism of bourgeois culture by showing that its only aim is to hide the sordid realities of bourgeois civilization.

One of the goals of our party is to oppose the school system of the bourgeoisie and to educate young people who will be intellectually freed of

every form of prejudice, determined to work for transformation of the economic bases of society, and READY TO SACRIFICE ALL INDIVIDUAL INTERESTS TO REVOLUTIONARY ACTION. To bourgeois culture we must oppose revolutionary

will never make known. The party of the proletariat must do this, and the role of the students--if they do not want to be accomplices of class repression -- is to militate in its ranks. Then they will cease to be STUDENTS theory, which the bourgeois University gropingly searching for an illusory

solution to the University crisis, but MILITANTS in the revolutionary cause of the world proletariat.

> Parti Communiste Internationale (PROGRAMME COMMUNISTE) May 1968

Repression from page 2

ject nations.

Revolutionary Marxists call for the breaking down of national barriers and the assimilation of all nations into a single world brotherhood of people. We see this as occurring under the rule of the working class. We see it as a process which involves the building of a new proletarian socialist culture, which will possibly draw certain aspects from the old national cultures, but which will be, as we stated in REV-OLUTIONARY PERSPECTIVES IN THE MIDDLE EAST:

... the eventual amalgamation and assimilation of cultures...in no way will this necessarily be a one way street. Such assimilation is not what Marxists view as the result of a socialist revolution.

The Russification of Latvia, the Ukraine and the rest of the "Soviet republics" is by no means the internationalist construction of a socialist culture, nor is it a simple "bureaucratic aberration" as the Trotskyists would have us believe. On the contrary, it is the crushing, stifling national oppression of capitalism at work today, just as it was in the time of the Tsars.

There are many who give the question of national oppression an ahistorical nonclass basis in their general analysis. Thus, they fall prey to the bourgeois deception of "national self-de-

lics", which are nothing more than sub- termination". National self-determination has two meaning to two sets of people: to the bourgeoisie it means the right to oppress their "own" workers without the interference of the "great powers"; to the masses it means freedom and the right to govern themselves. which they think is being stopped not by capitalism but by colonialist rule. But the masses will be powerless without the triumph of the working class over the bourgeoisie. By raising the banner of "national self-determination" the bourgeoisie is able to obscure the real class struggle and put forward a false "national unity" which can only mean the continued subordination of the socialist revolution. Such a revoluworking class to capital, with only the tion is necessary throughout the national origin of their exploiters changed. To the capitalists! slogan of "national self-determination", we counterpose the revolutionary proletarian slogans: THE WORKERS HAVE NO FATHERLAND: ing class be solved. WORKERS OF THE WORLD UNITE!

> The workers of the subject nations of the new Russian Empire will not achieve their emancipation through a bloc with their "own" bourgeoisie, but only by organizing a united struggle with the Russian workers and the workers of the other "republics" (and in fact all workers throughout the world) to replace the present system of capitalist nation-states with an international workers' republic.

While it is absolutely necessary to defend worker militants and those strug-

gling against capitalist repression, we can not become bogged down in "single issue defense cases". While such cases may serve to publicize the plight of the masses to a certain extent, and may even free a few prominent individuals, in the long run they will not suffice. In the final analysis, the only solution to the problem of workers' defense lies in a strong workers' offense. An offensive that will enable the working class to crush the repressive domination of capital and construct a society based on the wants and needs of the masses of humanity. The vehicle for this is the workers world, in the USSR as well as the U.S. Only in this way, with the coming of the working class to power, will the problem of defense of the work-DOWN WITH CAPITALIST REPRESSION IN THE

DOWN WITH RUSSIFICATION AND NATIONAL OPPRESSION IN THE "SOVIET REPUBLICS"! FOR AUTONOMOUS WORKING CLASS ORGANIZA-

FREE ALL WORKER MILITANTS! BUILD THE INTERNATIONAL PARTY OF REVO-LUTIONARY WORKERS! FORWARD TO THE INTERNATIONAL SOCIALIST REVOLUTION FORWARD TO THE WORLDWIDE WORKERS!

REPUBLIC:

Communist International stated in 1919:

Nationalization from page 8

ers' control" (read trade union management of capitalist production), the maritime workers and the working class as a whole would not have moved one step forward.

In 1900 Eduard Bernstein put forward the thesis that socialism could be achieved through the gradual evolution of capitalism, by extending bourgeois-democracy and turning over the existing economy to the unions. At that time, Rosa Luxemburg, representing the revolutionary wing of Social-Democracy, raised the question: Reform or Revolution? Today, when capitalism has passed from its progressive phase to its decadent imperialist phase, and the unions have been transformed from instruments of working class economic defense into props for the capitalist order and a police force in the factory, we are faced with the new Bern-

steins who envision socialism as coming about through nationalization and "workers! control". Just as Rosa Luxemburg posed the question in 1900, we as revolutionary communists must pose the question today: Reform or Revolution? Nationalization or Revolution? In an epoch when the possibilities for any progressive reform of capitalist society have been exhausted, this translates itself into the question: Counter-Revolution or Revolution? Capitalism or Socialism? The working class throughout the world must break from the ideologues of state capitalism who can only confuse and derail the workers' struggles, and wrest the social forces of production from the hands of the capitalists, the unions, the government and industrial bureaucrats and technocrats and socialize production on a world scale. As the Platform of the

Humanity, whose entire civilization now lies in ruins, is threatened with complete annihilation. There is only one force that can save it, and that is the proletariat. The old capitalist "order" no longer exists; it can no longer exist. The final outcome of the capitalist system of production is chaos. And this chaos can only be overcome by the largest class, the productive class, the working class. It must create genuine order, communist order. It must destroy the rule of capital, make war impossible, abolish State frontiers, change the entire world into one co-operative community, make a reality of the brotherhood and freedom of the

Read FORWARD

A Journal of Marxist Theory Vol. 1, No. 1, Winter 1974 (available now) Contains:

"Trotsky's Theory of 'Permanent Revolution': Marxism or Revisionism?"

"Theses on the Role of the Communist Party in the Proletarian Revolution" adopted by the Second Congress of the Communist International An International Exchange:

"Trade Unions Against the Revolution" by Grandizo Munis (Fomento Obrero Revolu-

"Revolutionaries and the Trade Unions" by David Ross (Revolutionary Workers Group) price: 25 cents

SUBSCRIPTIONS: \$2.00 for 1 year (4 issues) published quarterly

Vol. 1, No. 2, Spring 1974

peoples.

Will contain:

"The Role of the British Labour Party: A Marxist Critique"

"Theses on the Basic Tasks of the Communist International" adopted by the Second Congress of the Communist International An International Exchange:

"Defense of the Proletarian Character of the October Revolution"

by INTERNACIONALISMO

"Introduction" to a reprinting of "Defense of the Proletarian Character of the October Revolution"

by REVOLUTION INTERNATIONALE "Where INTERNACIONALISMO Goes Wrong on the October Revolution"

by the Revolutionary Workers Group price: 50 cents

FIGHT FOR SOCIALISM!

ng to their role in production. The wo major classes in society are the apitalist class and the working class. he capitalists own the means of proluction (factories, machines, etc.) but produce nothing. The workers, on the ther hand, receive only meager wages for the sale of their labor power to the capitalists. Almost all production in society is done by the workers. However, almost all the benefits from this production go to the capitalists. The basis for production in this society is profit. The capitalists are not interested in having the workers produce ple need. They are only interested in what makes them the biggest profit. Thus, while the capitalists get richer and richer, the workers are worse off than they were before.

In order to increase profits the captalists resort to all sorts of techniques which most of us are familiar wi h: speed-up, wage cuts, unemploymert, labor-saving machinery. While, for instance, labor-saving machinery wou d be progressive in a society run by the workers, it does nothing for them under capitalism. It is just anther attack on the workers.

Another feature of capitalist sociy is war. Every day there is a war ing on somewhere in the world. This

eonle are divided into classes accord- ists to wage war in order to get ahead of the capitalists in other countries. Trotsky, Luxemburg and Bogdanov. It The working class has no interests in supporting these wars. What the workers want is peace. However, there can be no peace until the capitalists have been removed from power and this society re- called "Communist" Russia and China placed by one run by the workers in the are capitalist (state capitalist). In interests of the toiling masses.

people to Congress or as President. The ers must have an international party. government is nothing more than the executive committee of the ruling class. It is the owners of the big corporations who have the final say as to what Revolutionary Workers Group and Workgoes on. It is necessary to organize things that people can use or that peo- our own workers' councils. These councils will be the class rule of the workers after the revolutionary overthrow of capitalism. When capitalism goes Congress will go with it. All the democracy surrounding the Congress is just a sham to keep us tied to this system. It is democracy for the rich, for the capitalists. Our democracy will years of the revolutionary dictatorship · be real democracy, proletarian democra- still remain, however, as a heacon for cy, the democracy of the many. We do not simply want a workers' government, we want a workers' republic.

> and build a workers' republic and socialism the working class needs a revolutionary party. Such a party must be based on The Communist Manifesto, the first two congresses of the Communist

The world we live in is a world where is due to the necessity of the capital- (Third) International, and the revolutionary work of Marx, Engels, Lenin, must be a democratic-centralist party. However, it is not enough to build such a party here in the United States. Capitalism is a world system. Even soorder to wage a successful worldwide To do this, it is not enough to elect struggle against capitalism the work-It is toward the construction of the International Party of Revolutionary Workers (Fourth International) that the ers' Truth are dedicated.

In 1917 the Russian workers seized power under the leadership of the Leninist Bolshevik Party. However, the revolution was isolated and the Russian workers exhausted from the hard struggle in a backward country lost nower when the Bolsheviks lost faith in the world proletariat in 1921. The four workers throughout the world.

Under capitalism the workers are nothing more than menials. We deserve In order to throw out the capitalists a better life. We deserve socialism. However, it will not be handed to us on a platter. We must fight for it. For if we do not fight for socialism we will be handed barbarism. Socialism or barbarism? Fight for Socialism!

Nationalization or Revolution?

The development of state capitalism in Russia, China, Cuba, etc. has resulted in a heightened confusion of many subjectively revolutionary workers and students. The claims of the Russian and Chinese state capitalists to have instituted socialism are taken for good coin by many would-be revolutionaries, as can be seen by the existence of pro-Moscow and pro-Peking "Communist" parties throughout the world. Besides those who think that state capitalism equals socialism, there are also many who feel that if the state capitalist countries are not socialist, they are at least anti-capitalist and progressive in so far as they have a "working class economic base" (see the plethora of groups advocating the "degenerated workers" state" theory of Leon Trotsky). Even some groups like the International Sociaiists and the Revolutionary Socialist League, who do not feel that these societies are progressive, adhere to the Stalinist-Trotskyist myth that nationalization is a progressive working class measure. For instance, the IS writes:

The oil profiteers should be stripped of their enormous assets. The industry should be nationalized by the government -- the first step towards ending this hot-housed crisis. (WORKERS' POWER, March 1-14, 1974)

The RSL says:

Workers must demand the NATIONALIZA-TION OF ALL INDUSTRY -- first and foremost, all fuel mining and processing operations--UNDER WORKERS' CONTROL. Other examples can be found in THE BEA-CON, paper of the Militant-Solidarity Caucus of the National Maritime Union, which is supported uncritically by the Spartacist League:

NATIONALIZATION OF SHIPPING WITHOUT COMPENSATION UNDER SEAMEN'S CONTROL. The government has always built, op-

erated, and repaired the ships for the companies, while providing profits, with subsidies which come from our taxes. No more profiteering at public expense!... EXPROPRIATE THE COMPANIES and have the government own the ships outright!

(THE BEACON, February 1972) And in a recent leaflet printed by the San Francisco branch of the Class Struggle League:

All workers can offer resolutions calling for an emergency meeting of all labor organizations for the purpose of organizing a general strike to force:...an end to the fuel shortage with nationalization of the oil companies under control of the trade

All of these say essentially the same with the breaking down of borders, is thing: workers should call for the capitalist state to centralize capital, and then have the unions supervize the exploitation of the workers.

There is nothing progressive in this call whatsoever. In fact the call itself is nothing more than an expression of the essential historical development of capitalism.

However, such slogans being posed under the quise of socialism serve only to confuse workers and cast a veil over capitalist economic relations. While it is true that, as Engels wrote:

The proletariat takes political power and turns the means of production in the first instance into state property. (ANTI-DUEHRING)

This means that the WORKING CLASS STATE which is, as Lenin wrote in THE STATE AND REVOLUTION:

not...a state of bureaucrats, but... a state of the armed workers. socializes the means of production in order to move along with the construction of socialism, a construction which can only be carried out BY THE WORKING

CLASS, from below.

Do we oppose nationalization? Yes and no. Only nationalization carried out BY THE WORKING CLASS as a first step after its seizure of power in a particular country, is progressive. Nationalization in this context is a step toward socialism. It is a step which must be followed, with the spread of the revolution, with the continued merging of the productive forces into a single world socialist entity which is inseparable from the producers, which in such a case would be society as a whole. Only nationalization which goes on under the rule of the working class and which includes the suppression of wage-labor and the market, which goes beyond national centraliza-(CLASS STRUGGLE, February-March 1974) tion to internationalist socialization progressive.

On the other hand, nationalization lunder capitalism, nationalization that continues the wage-labor/market system is reactionary. It results in the continued suppression and exploitation of the working class, and generally serves an even more pernicious ideological purpose by being carried out in the name of socialism.

The bourgeois and petty bourgeois socialists can talk all they want about the "transitional" nature of their reformist slogans, it will not aid the working class one bit. The Spartacists for instance claim that what they really mean by nationalization is nationalization by the workers in a workerruled society. However, just look at the statement in the BEACON, which the SL has never seen fit to criticize. What government has subsidized the shipping industry? Is it not the capitalist government that the BEACON calls on to take over shipping? Should such an event occur, even with "work-

continued on page 7

WORKERS truth

Toward the International Party of Revolutionary Workers

Vol.2, No.10 October,1974

The liberation of the workers can only be the deed of the working class itself.

10 cents

INFLATION

Why No Government Can Stop It

Rampant, uncontrollable inflation has become a harsh and inexorable reality in every country in the world: from poverty-stricken countries like India and Portugal, whose governments have recently announced stringent anti-strike and wage-freezing measures, to "prosperous" expanding economies like those of Germany, America and Japan. Already entire national economies seem to be on the verge of collapse -- Italy for example -- and governments are falling like nine-pins as they reveal their inability to solve the problems of inflation and impending

The dizzying ascent of prices is everywhere accompanied by the hysterical shriekings of the capitalist class and their media. Every day this or that politician, industrialist, archbishop, economist or journalist stangs up and points his tinger, blames his opponent tor the catastrophe and offers up his own explanation for inflation, and his

The explanations and solutions are innumerable. But we workers can be sure of two things. The diagnoses the bourgeoisie gives us for its ailing system will all be wrong; and they will all be used one way or another to try to mystify, givide and attack the working

A number of learned, "scientific", "neutral" economists solemnly inform us that world inflation is the result of the rising prices of raw materials -- oil, foodstuffs, etc. which leads to increased production costs; which is a complicated way of saying prices rise because of a rise in prices! Undoubtedly the rise in oil prices after the Migale East war has contributed gramatically to inflation, but it has MERELY ACCELERATED A PROCESS WHICH WAS ALREADY RAPIDLY GATHERING PACE.

The political partisans have a gitterent approach. The old style "conservative" factions of the bourgeoisie blame inflation on the excessive demands of "greedy" workers who by asking for ridiculously high wages, force the responsible, patriotic (not-greedy) bosses to put their prices up.

This "explanation" is a joke to all those millions of workers who have been fighting a rearguard battle merely to KEEP UP with inflation in the last six or seven years. It fails to explain why prices soar even when wages are held down by the state; it fails to explain why inflation was still raging in the fifties and sixties when wage-

struggles were at a very low level; and it fails to explain why, in the nineteenth century, inflation was almost unknown even though real wages increased at rates far higher than they ever have done in the twentieth.

The real purpose of arguments or this type is to try and bludgeon the working class into accepting the responsibility for the crisis and acceding to wage-cuts and other attacks on their living standards, in the name of the "national interest" -- which always means the interests of capitalism's profits.

The left-wing, "progressive", "socialist" factions of capital -- Social Democrats, Communist Parties, Trotskyists, etc. have another explanation. Because they are a capitalist faction which depends on working class support, they usually blame inflation on greeay bosses aeliberately hiking up prices to increase their profits, in particular the big multinationals who appear to be outside the jurisdiction of any nation-state.

Of course this or that capitalist will put up his prices to increase his profits if he can. But prices can't be fixed arbitrarily. Changes in prices are determined by the needs of capitalist competition. In order to compete, the capitalists have to UNDER-CUT their competitors, not go on raising their prices. And in any case they cannot manipulate prices indefinitely because they must be ultimately based on production costs (i.e. the amount of labour time spent in production) if the capitalists are to make any profits at all.

The basic aim of these arguments is to win the working class to the Left's "solution" to the crisis: the replacement of private bosses by the state acting as a collective employer: STATE CAPITALISM, more or less as in Russia, China, Yugoslavia, etc. But state capitalism changes nothing as far as the workers are concerned and as we have recently seen in Chile, Allende's nationalized economy was completely unable to avoid the inflationary spiral and now the "socialist" governments of East Europe have been forced to admit the existence of serious inflation in their economies. In fact the maintenance of a huge unproductive state bureaucracy can only serve to increase each national economy's skyrocketing inflation. In the end, the left's arguments are exactly the same as the right's: both demand that the

working class accept austerity measures and increased exploitation in the interests of NATIONAL CAPITAL whether it is disguised as "duty to the fatherland" or "building social-

Every party of capital presents intlation as a problem of this or that national economy, a problem of bag national management. The implication is always that the criticizing party would make a better set of managers. And indeed this is the only "alternative" each capitalist faction can offer, whether it does it through "democratic" elections or violent coups d'etat. The capitalist class is organically incapable of putting forward the real causes of inflation, and its real solution: because that would imply their own destruction as a class. THE REAL CAUSES OF INFLATION

The truth is that no capitalist management, party, or government can do anything to prevent inflation. Inflation today is nothing less than a direct and inescapable product of the world-wide crisis -- the irreversible HISTORIC crisis not of this or that nation but of the whole capitalist world system -- the system of WAGE-LABOR and PRODUCTION FOR EXCHANGE.

As Marx showed a long time ago, every system of production based on class divisions is motivated by certain SO-CIAL RELATIONS which in one period of history allow the system to expand. and in a later period themselves become barriers to further expansion.

Just as, in previous historical periods, the contradictions of Roman slave society, and then of feudal society, led to their decline and disappearance as modes of production, so for the last 60 years the contradictions of capitalist society have produced the decline of capitalism, and now threaten its total collapse.

In the decline of slavery and feudalism, the attempts of those systems to solve their INSOLUBLE contragictions produced phenomena which are no less apparent in 20th century capitalism: the growth of a huge totalitarian state machine, and incessant wars. These in turn were the basic causes of the inflation which ravaged decadent Rome and declining feudalism, just as they are at the root of inflation under DECADENT capitalism.

When capitalism was still a progressive, expansive system of production (19th century) the steady growth of continued next page